

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

Objection Deadline: April 10, 2008 at 4:00p.m.
Hearing: Schedule if Necessary (Negative Notice)

**COVER SHEET TO TWENTY-FOURTH MONTHLY INTERIM APPLICATION OF
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE, FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
JANUARY 1, 2008 THROUGH JANUARY 31, 2008**

Name of Applicant: Orrick, Herrington & Sutcliffe LLP ("Orrick")

Authorized to Provide Professional Services to: David T. Austern, Future Claimants' Representative (the "FCR")

Date of Retention: As of February 6, 2006 pursuant to Order entered by Court on May 8, 2006

Period for which compensation is sought: January 1, 2008 through January 31, 2008

Amount of Compensation (100%) sought as actual, reasonable, and necessary: \$1,052,243.75

80% of fees to be paid: \$ 841,759.00¹

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 140,412.45

Total Fees @ 80% and 100% Expenses: \$ 982,171.45

This is an: _____ interim X monthly _____ final application.

¹ Pursuant to the Administrative Order, as amended, entered April 17, 2002, absent timely objections, the Debtors are authorized and directed to pay 80% of fees and 100% expenses.

The total time expended for fee application preparation during this time period is 15.80 hours and the corresponding fees are \$4,425.00 and \$311.66 in expenses for Orrick's fee applications and 9.60 hours and \$2,412.00 in fees and \$1,790.12 in expenses for the FCR and/or his other professionals' fee applications. Any additional time spent for this matter will be requested in subsequent monthly interim applications.

This is Orrick's Twenty-Fourth interim fee application for the period January 1-31, 2008. Orrick has previously filed the following interim fee applications with the Court:

<u>Interim Period</u>	<u>Fees @ 100%</u>	<u>Fees @ 80%</u>	<u>Expenses @ 100%</u>	<u>Total Fees @ 80% & 100% Expenses</u>
First Interim Period February 6-28, 2006	\$89,026.00	\$71,220.80	\$0.00	\$71,220.80
Second Interim Period March 1-31, 2006	\$117,266.25	\$93,813.00	\$7,501.32	\$101,314.32
Third Interim Period April 1-30, 2006	\$125,362.50	\$100,290.00	\$1,783.43	\$102,073.43
Fourth Interim Period May 1-31, 2006	\$136,416.00	\$109,132.80	\$6,389.80	\$115,522.60
Fifth Interim Period June 1-30, 2006	\$194,266.75	\$155,413.40	\$6,395.69	\$161,809.09
Sixth Interim Period July 1-31, 2006	\$181,982.00	\$145,585.60	\$11,934.45	\$157,520.05
Seventh Interim Period August 1-31, 2006	\$152,041.50	\$121,633.20	\$5,711.17	\$127,344.37
Eighth Interim Period Sept. 1-30, 2006	\$223,996.25	\$179,197.00	\$8,006.50	\$187,203.05
Ninth Interim Period October 1-31, 2006	\$225,845.00	\$180,676.00	\$24,528.57	\$205,204.57
Tenth Interim Period November 1-30, 2006	\$387,429.00	\$309,943.20	\$31,267.21	\$341,210.41
Eleventh Interim Period December 1-31, 2006	\$227,796.00	\$182,236.80	\$42,583.17	\$224,819.97
Twelfth Interim Period January 1-31, 2007	\$379,956.25	\$303,965.00	\$14,046.26	\$318,011.26
Thirteenth Interim Period February 1-28, 2007	\$384,551.00	\$307,640.80	\$17,183.12	\$324,823.92
Fourteenth Interim Period March 1-31, 2007	\$347,570.75	\$278,056.60	\$26,494.40	\$304,551.00
Fifteenth Interim Period April 1-30, 2007	\$319,286.00	\$255,428.80	\$50,662.51	\$306,091.31
Sixteenth Interim Period May 1-31, 2007	\$322,920.00	\$258,336.00	\$74,644.21	\$332,980.21
Seventeenth Interim Period June 1-30, 2007	\$379,834.50	\$303,867.60	\$42,991.68	\$346,859.28
Eighteenth Interim Period July 1-31, 2007	\$261,753.75	\$209,403.00	\$51,368.01	\$260,771.01
Nineteenth Interim Period August 1-31, 2007	\$428,316.00	\$342,652.80	\$62,111.63	\$404,764.43
Twentieth Interim Period September 1-30, 2007	\$628,858.50	\$503,086.80	\$393,007.08	\$896,093.88
Twenty-First Interim Period Oct 1-31, 2007	\$976,730.25	\$781,384.20	\$84,140.33	\$865,524.53
Twenty-Second Interim Period Nov 1-30, 2007	\$808,945.25	\$647,156.20	\$150,679.68	\$797,835.88
Twenty-Third Interim Period Dec 1-31, 2007	\$792,125.75	\$633,700.60	\$51,773.86	\$685,474.46

To date, Orrick has received payments from the Debtors in the following amounts:

- \$71,220.80 representing 80% of fees and 100% of expenses for February 2006
- \$101,314.32 representing 80% of fees and 100% of expenses for March 2006
- \$17,805.20 representing 20% of fees for February 2006
- \$23,453.25 representing 20% of fees for March 2006
- \$102,073.43 representing 80% of fees and 100% of expenses for April 2006
- \$115,522.60 representing 80% of fees and 100% of expenses for May 2006
- \$161,809.09 representing 80% of fees and 100% of most expenses for June 2006
- \$157,520.05 representing 80% of fees and 100% of expenses for July 2006
- \$127,344.37 representing 80% of fees and 100% of expenses for August 2006
- \$187,203.05 representing 80% of fees and 100% of expenses for September 2006
- \$91,209.05 representing 20% of fees for April, May and June 2006

- \$205,204.57 representing 80% of fees and 100% of expenses for October 2006
- \$566,030.38 representing 80% of fees and 100% of expenses for November and December 2006
- \$111,603.95 representing 20% of fees for July, August and September 2006
- \$642,835.18 representing 80% of fees and 100% of expenses for January and February 2007
- \$156,363.99 representing 20% of fees for October, November, and December 2006
- \$133,371.35 representing 80% of fees and 100% of expenses for March and April 2007
- \$940,610.50 representing 80% of fees and 100% of expenses for May, June and July 2007
- \$206,968.66 representing 20% of fees for January, February and March 2007
- \$404,764.43 representing 80% of fees and 100% of expenses for August 2007
- \$896,093.88 representing 80% of fees and 100% of expenses for September 2007
- \$1,059,103.88 representing 20% of fees for April, May and June 2007, and 80% of fees and 100% of expenses for October 2007
- \$797,835.88 representing 80% of fees and 100% expenses for November 2007
- \$685,474.46 representing 80% of fees and 100% expenses for December 2007

COMPENSATION SUMMARY
JANUARY 1-31, 2008

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate²</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
John Ansbro	Partner, 4 years in position; 13 years relevant experience; 1995, Litigation	\$690	206.40	\$134,791.50 ³
Stephen G. Foresta	Partner, 10 years in position; 21 years relevant experience; 1987, Litigation	\$825	15.40	\$12,705.00
Roger Frankel	Partner, 24 years in position; 37 years relevant experience; 1971, Bankruptcy	\$875	159.50	\$135,931.25 ⁴
Jonathan P. Guy	Partner, 7 years in position; 15 years relevant experience; 1993, Bankruptcy	\$720	10.40	\$7,488.00
Robert F. Lawrence	Partner, 11 years in position; 25 years relevant experience 1983, Environmental Law	\$715	18.70	\$13,370.50

² Please note that the hourly billing rates for Orrick professionals have changed effective January 1, 2008.

³ This amount reflects a reduction of \$7,624.50 representing a 50% discount of hourly rates for non-working travel.

⁴ This amount reflects a reduction of \$3,631.25 representing a 50% discount of hourly rates for non-working travel.

Name of Professional Person	Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise	Hourly Billing Rate	Total Billed Hours	Total Fees
Raymond G. Mullady, Jr.	Partner, 15 years in position; 25 years relevant experience; 1983, Litigation	\$710	204.80	\$141,822.50 ⁵
Jay K. Musoff	Partner, 4 years in position; 15 years relevant experience; 1993, Litigation	\$720	.30	\$216.00
John Narducci	Partner, 12 years in position; 20 years relevant experience; 1988, Tax	\$810	.20	\$162.00
Garret G. Rasmussen	Partner, 26 years in position; 34 years relevant experience; 1974, Litigation	\$800	66.10	\$52,880.00
Clayton S. Reynolds	Partner, 21 years in position; 29 years relevant experience; 1979, Tax	\$800	21.60	\$17,280.00
Scott A. Stengel	Partner, 4 years in position; 12 years relevant experience; 1996, Bankruptcy	\$690	18.20	\$12,558.00
Richard H. Wyron	Partner, 19 years in position; 29 years relevant experience; 1979, Bankruptcy	\$775	65.00	\$48,437.50 ⁶
Mary A. Wallace	Of Counsel, 6 years in position; 18 years relevant experience; 1989, Corporate	\$620	25.50	\$15,810.00
Joshua M. Cutler	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$500	68.40	\$30,900.00 ⁷
Debra L. Felder	Associate, 6 years in position; 6 years relevant experience; 2002, Bankruptcy	\$530	110.10	\$58,353.00
Alexandra G. Freidberg	Associate, 3 months in position; 3 months relevant experience; 2007, Real Estate and Environmental	\$340	8.60	\$2,924.00
Nicole M. Jones	Associate, 2 years in position; 2 years relevant experience; 2006, Litigation	\$400	15.20	\$6,080.00
Antony P. Kim	Associate, 2 years in position; 5 years relevant experience; 2003, Litigation	\$500	182.00	\$90,000.00 ⁸

⁵ This amount reflects a reduction of \$3,585.50 representing a 50% discount of hourly rates for non-working travel.

⁶ This amount reflects a reduction of \$1,937.50 representing a 50% discount of hourly rates for non-working travel.

⁷ This amount reflects a reduction of \$3,300.00 representing a 50% discount of hourly rates for non-working travel.

⁸ This amount reflects a reduction of \$1,000.00 representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Katherine E. Maco	Law clerk, 4 months in position; 4 months relevant experience; NY bar admission pending, Litigation	\$340	95.60	\$32,504.00
Christopher O'Connell	Associate, 3 years in position; 5 years relevant experience; 2003, Litigation	\$470	6.00	\$2,820.00
Emily S. Somers	Associate, 2 years in position; 2 years relevant experience; 2006, Litigation	\$400	66.20	\$26,480.00
Katherine S. Thomas	Associate, 4 years in position; 4 years relevant experience; 2004, Bankruptcy	\$470	12.80	\$6,016.00
Annie L. Weiss	Associate, 4 years in position; 4 years relevant experience; 2004, Litigation	\$470	47.80	\$20,609.50 ⁹
Catharine L. Zurbrugg	Associate, 3 years in position; 3 years relevant experience; 2005, Litigation	\$440	80.60	\$33,924.00 ¹⁰
Rachael M. Barainca	Legal Assistant	\$160	68.70	\$10,992.00
James Cangialosi	Legal Assistant	\$260	241.00	\$61,490.00
Debra O. Fullem	Bankruptcy Research Specialist	\$245	29.40	\$7,203.00
Saira Hosein	Legal Assistant	\$230	3.00	\$690.00
Timothy J. Hoyer	Practice Support Project Coordinator	\$210	55.20	\$11,592.00
Thomas Kim	Legal Assistant	\$195	34.00	\$6,630.00
Linda Pietrofere	Senior Legal Assistant	\$230	31.50	\$7,245.00
Thomas Ryan	Trial Technologist	\$205	160.50	\$31,980.00 ¹¹
Aaron R. Thorp	Practice Support Project Coordinator	\$210	11.90	\$2,499.00
Elizabeth Y. Walker	Senior Legal Assistant	\$240	30.50	\$7,320.00
Logan B. West	Legal Assistant	\$90	6.00	\$540.00
Total			2,177.10	\$1,052,243.75
Blended Rate: \$432.27				

⁹ This amount reflects a reduction of \$1,856.50 representing 50% discount of hourly rates for non-working travel.

¹⁰ This amount reflects a reduction of \$1,540.00 representing 50% discount of hourly rates for non-working travel.

¹¹ This amount reflects a reduction of \$922.50 representing 50% discount of hourly rates for non-working travel.

COMPENSATION BY PROJECT CATEGORY
JANUARY 1-31, 2008

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	7.40	\$1,218.00
Due Diligence	.60	\$525.00
Insurance	15.40	\$12,705.00
Litigation	1,845.00	\$890,465.00
Plan & Disclosure Statement	166.90	\$106,632.50
Retention of Professionals--Other	20.80	\$7,293.50
Compensation of Professionals-Other	9.60	\$2,412.00
Compensation of Professionals-Orrick	15.80	\$4,425.00
Non-Working Travel	95.60	\$26,567.75
TOTAL	2,177.10	\$1,052,243.75

EXPENSE SUMMARY
JANUARY 1-31, 2008

<u>Expense Category</u>	<u>Total</u>
Color Copies	\$147.50
Desksite	\$195.00
Document Retrieval Services (Document Technologies Parcels and Specialized Legal Services Inc.)	\$1,490.35
Duplicating	\$10,334.60
Expert Invoice (Z-Axis, Graphic Consultant)	\$37,087.05
Expert Related Materials (Books and Articles)	\$197.00
Meals	\$3,502.28 ¹²
Pacer	\$3,954.11
Parking	\$213.75
Postage/Express Delivery	\$5,033.71
Secretarial Overtime	\$155.13
Telephone	\$95.82
Travel - Air Fare/Train	\$62,151.87
Travel - Mileage	\$644.00
Travel - Taxi	\$2,033.61
Westlaw and Lexis Research	\$9,912.41
Williams Lee	\$3,264.26
TOTAL	\$140,412.45

Orrick's Client Charges and Disbursements Policy effective January 1, 2008, is as follows:

- a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 10¢ per page in order to comply with the Local Rules of this Court. This charge includes

¹² Orrick has reduced its meal expenses by \$1,459.70 for those meals which were more than the allowed fee auditor's limit of \$15 per person for breakfast; \$25 per person for lunch; and \$50 per person for dinner.

the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.

b. **Long Distance Telephone and Facsimile Charges** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.75 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.

c. **Messenger and Courier Service** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.

d. **Overtime** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances. Orrick utilized secretarial assistance in connection with monitoring and updating case dockets and downloading, circulating and printing of pleadings filed in the case. Thus, certain charges were incurred by secretaries for overtime. (Note: These charges are at rates less than that charged by Orrick paralegals or other professional staff who may have otherwise performed this type of work.)

e. **Computerized Research** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for free internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

Dated: March 21, 2008

By: 

Roger Frankel, admitted *pro hac vice*

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